

CITY OF SANTA BARBARA CITY COUNCIL

Helene Schneider
Mayor
Bendy White
Mayor Pro Tempore
Grant House
Ordinance Committee Chair
Dale Francisco
Finance Committee Chair
Frank Hotchkiss
Randy Rowse
Michael Self



James L. Armstrong
City Administrator

Stephen P. Wiley
City Attorney

City Hall
735 Anacapa Street
<http://www.SantaBarbaraCA.gov>

MAY 3, 2011 AGENDA

ORDER OF BUSINESS: Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council meeting begins at 2:00 p.m. in the Council Chamber at City Hall.

REPORTS: Copies of the reports relating to agenda items are available for review in the City Clerk's Office, at the Central Library, and <http://www.SantaBarbaraCA.gov>. In accordance with state law requirements, this agenda generally contains only a brief general description of each item of business to be transacted or discussed at the meeting. Should you wish more detailed information regarding any particular agenda item, you are encouraged to obtain a copy of the Council Agenda Report (a "CAR") for that item from either the Clerk's Office, the Reference Desk at the City's Main Library, or online at the City's website (<http://www.SantaBarbaraCA.gov>). Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office located at City Hall, 735 Anacapa Street, Santa Barbara, CA 93101, during normal business hours.

PUBLIC COMMENT: At the beginning of the 2:00 p.m. session of each regular City Council meeting, and at the beginning of each special City Council meeting, any member of the public may address the City Council concerning any item not on the Council's agenda. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that public comment is taken up by the City Council. Should City Council business continue into the evening session of a regular City Council meeting at 6:00 p.m., the City Council will allow any member of the public who did not address them during the 2:00 p.m. session to do so. The total amount of time for public comments will be 15 minutes, and no individual speaker may speak for more than 1 minute. The City Council, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond their jurisdiction.

REQUEST TO SPEAK: A member of the public may address the Finance or Ordinance Committee or City Council regarding any scheduled agenda item. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that the item is taken up by the Finance or Ordinance Committee or City Council.

CONSENT CALENDAR: The Consent Calendar is comprised of items that will not usually require discussion by the City Council. A Consent Calendar item is open for discussion by the City Council upon request of a Councilmember, City staff, or member of the public. Items on the Consent Calendar may be approved by a single motion. Should you wish to comment on an item listed on the Consent Agenda, after turning in your "Request to Speak" form, you should come forward to speak at the time the Council considers the Consent Calendar.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act, if you need special assistance to gain access to, comment at, or participate in this meeting, please contact the City Administrator's Office at 564-5305 or inquire at the City Clerk's Office on the day of the meeting. If possible, notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements in most cases.

TELEVISION COVERAGE: Each regular City Council meeting is broadcast live in English and Spanish on City TV Channel 18 and rebroadcast in English on Wednesdays and Thursdays at 7:00 p.m. and Saturdays at 9:00 a.m., and in Spanish on Sundays at 4:00 p.m. Each televised Council meeting is closed captioned for the hearing impaired. Check the City TV program guide at www.citytv18.com for rebroadcasts of Finance and Ordinance Committee meetings, and for any changes to the replay schedule.

ORDER OF BUSINESS

- 11:30 a.m. - Special Finance Committee Meeting, David Gebhard Public Meeting Room, 630 Garden Street
2:00 p.m. - City Council Meeting

SPECIAL FINANCE COMMITTEE MEETING - 11:30 A.M. IN THE DAVID GEBHARD PUBLIC MEETING ROOM, 630 GARDEN STREET (120.03)

1. Subject: Grants To Housing Authority For Rehabilitation Of Three Affordable Housing Projects

Recommendation: That the Finance Committee recommend that Council approve three grants to the Housing Authority of the City of Santa Barbara in a total amount not to exceed \$850,000 from Housing Rehabilitation Loan Program repayment funds, for needed repairs to three Housing Authority projects located at 418 Santa Fe Place, 521 N. La Cumbre Road, and 2941 State Street, and authorize the Assistant City Administrator/Community Development Director to execute grant agreements in a form acceptable to the City Attorney.

2. Subject: Finance Committee Review Of The Proposed Two-Year Financial Plan For Fiscal Years 2012 And 2013

Recommendation: That the Finance Committee hear a report from staff on the Proposed Two-Year Financial Plan for Fiscal Years 2012 and 2013, including the Recommended Budget for Fiscal Year 2012.

REGULAR CITY COUNCIL MEETING – 2:00 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CEREMONIAL ITEMS

1. Subject: Employee Recognition - Service Award Pins (410.01)

Recommendation: That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through May 31, 2011.

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

2. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the special meeting of April 11, 2011.

3. Subject: Capital Improvement Projects Third Quarter Report For Fiscal Year 2011 (230.01)

Recommendation: That Council receive a report on the City's Capital Improvement Projects (CIP) for the Third Quarter of Fiscal Year 2011.

CONSENT CALENDAR (CONT'D)

4. Subject: Purchase Order For Airline Terminal Gala Event (560.01)

Recommendation: That Council:

- A. Find it is in the City's best interest to waive the formal bid process as authorized in Municipal Code Section 4.52.070 (k) and authorize the General Services Manager to issue a purchase order to Rincon Beach Club & Catering as the single source and most favorable source for providing the City with the food and beverage services and rentals for 1,500 guests for the Airline Terminal Gala event on June 17, 2011, at a not-to-exceed amount of \$106,500, funded from ticket sales and sponsorship revenue; and
- B. Authorize an increase in appropriations and estimated revenues by \$106,500 in the Airport Operating Fund to cover the costs of the Gala event funded from sponsorships and ticket sales.

NOTICES

- 5. The City Clerk has on Thursday, April 28, 2011, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
- 6. Received a letter of resignation from Parks and Recreation Commissioner Daraka Larimore-Hall; the vacancy will be part of the current City Advisory Groups recruitment.

This concludes the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

PUBLIC WORKS DEPARTMENT

7. Subject: Street Parking Determination For Brinkerhoff Avenue (550.01)

Recommendation: That Council provide direction regarding the request of Brinkerhoff Avenue (Brinkerhoff) residents to maintain the one-way street with angled parking.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS (CONT'D)

FINANCE DEPARTMENT

8. Subject: Professional Services Agreement For Zone 1 Hauler Franchise Renewal (630.01)

Recommendation: That Council:

- A. Authorize the Finance Director to negotiate and execute a Professional Services Agreement, in a form acceptable to the City Attorney, with HF&H Consultants, LLC, in an amount not to exceed \$110,200 for competitive contracting assistance; and
- B. Appropriate \$110,200 from the available reserves of the City's Solid Waste Fund to cover these contract costs and direct staff to require any successful Zone 1 Hauler to reimburse the City for these costs as part of the franchise agreement to be awarded.

MAYOR AND COUNCIL REPORTS

9. Subject: Request From Councilmembers Rowse And Self Regarding The Employee Mortgage Loan Assistance Program (430.03)

Recommendation: That Council hear a report from staff on the on the history of the establishment and an examination of the effectiveness of the City's Employee Mortgage Loan Assistance Program pursuant to a request from Councilmembers Rowse and Self.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

10. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with General, Treatment and Patrol, and Supervisory bargaining units, and regarding discussions with unrepresented management about salaries and fringe benefits.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

CLOSED SESSIONS (CONT'D)

11. Subject: Conference With Legal Counsel - Anticipated Litigation (160.03)

Recommendation: That Council hold a closed session to consider significant exposure to litigation (one potential case) pursuant to subsection (b)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

Scheduling: Duration, 20 minutes; anytime

Report: None anticipated

12. Subject: Public Employee Performance Evaluation - Government Code Section 54957 (170.01)

Recommendation: That Council hold a closed session for a Public Employee Performance Evaluation per Government Code Section 54957.

Title: City Administrator

Scheduling: Duration, 40 minutes; anytime

Report: None anticipated

13. Subject: Public Employee Performance Evaluation - Government Code Section 54957 (160.01)

Recommendation: That Council hold a closed session for a Public Employee Performance Evaluation per Government Code Section 54957.

Title: City Attorney

Scheduling: Duration, 40 minutes; anytime

Report: None anticipated

ADJOURNMENT

CITY OF SANTA BARBARA
FINANCE COMMITTEE
SPECIAL MEETING AGENDA

DATE: May 3, 2011

Dale Francisco, Chair

TIME: 11:30 a.m.

Michael Self

PLACE: David Gebhard Public Meeting Room
630 Garden Street

Bendy White

James L. Armstrong
City Administrator

Robert Samario
Finance Director

ITEMS TO BE CONSIDERED:

1. Subject: Grants To Housing Authority For Rehabilitation Of Three Affordable Housing Projects

Recommendation: That the Finance Committee recommend that Council approve three grants to the Housing Authority of the City of Santa Barbara in a total amount not to exceed \$850,000 from Housing Rehabilitation Loan Program repayment funds, for needed repairs to three Housing Authority projects located at 418 Santa Fe Place, 521 N. La Cumbre Road, and 2941 State Street, and authorize the Assistant City Administrator/Community Development Director to execute grant agreements in a form acceptable to the City Attorney.

2. Subject: Finance Committee Review Of The Proposed Two-Year Financial Plan For Fiscal Years 2012 And 2013

Recommendation: That the Finance Committee hear a report from staff on the Proposed Two-Year Financial Plan for Fiscal Years 2012 and 2013, including the Recommended Budget for Fiscal Year 2012.



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Finance Committee

FROM: Housing and Redevelopment Division, Community Development Department

SUBJECT: Grants To Housing Authority For Rehabilitation Of Three Affordable Housing Projects

RECOMMENDATION:

That the Finance Committee recommend that Council approve three grants to the Housing Authority of the City of Santa Barbara in a total amount not to exceed \$850,000 from Housing Rehabilitation Loan Program repayment funds, for needed repairs to three Housing Authority projects located at 418 Santa Fe Place, 521 N. La Cumbre Road, and 2941 State Street, and authorize the Assistant City Administrator/Community Development Director to execute grant agreements in a form acceptable to the City Attorney.

DISCUSSION:

The Housing Authority of the City of Santa Barbara has requested grants for needed repairs to three of their affordable rental housing projects. The rehabilitation grants would be funded through the City's Housing Rehabilitation Loan Program (HRLP) from funds received through repayment of prior rehabilitation loans.

Background Regarding the HRLP:

The City's housing goals include both creating new affordable housing and preserving existing affordable housing. The City's housing preservation accomplishments have been achieved through the City's Housing Rehabilitation Loan Program. The HRLP has been funded annually since 1976 from federal Community Development Block Grant (CDBG) funds. Since its inception, the HRLP has provided over \$16 million in loans for needed repairs to over 750 single family homes owned by low income owner-occupants. The HRLP has also provided loans and grants totaling over \$14 million for repairs to 44 low income housing projects owned by non-profit sponsors. These projects contain a total of 600 units. Usually the HRLP is the only source of funds for needed repairs to these projects because the affordable rents are so low that the projects cannot maintain adequate reserves. The City's HRLP subsidies to non-profit sponsors are often structured as grants because such projects are not likely to have the surplus funds necessary for loan payments.

The HRLP assistance for repairs to single family homes has predominately been in the form of deferred loans rather than grants. Typically no payments are due until the house is sold or is transferred through the estate of the borrower. However, some borrowers are making scheduled payments on their loans. The total repayments average about \$20,000 per month, but there are occasional large repayments upon the sale of the house. We are not able to predict when a large repayment will come in. In the current fiscal year the HRLP has received nearly \$500,000 from such loan pay-offs.

Loan repayments are deposited into the City's CDBG revolving rehabilitation loan fund ("Revolving Loan Fund"), which has a current balance of about \$675,000. Under federal regulations, these loan repayments are considered to be "program income," and must be used for additional rehabilitation loans and grants for low-income housing units.

Future Focus of the HRLP:

In recent years, the HRLP has seen a decline in loan applications from low income owner-occupants. As prices of single family homes have risen beyond the reach of even middle income households, the number of low income homeowners has declined. The clientele of the HRLP has largely been elderly persons who bought their homes decades ago. When these elderly owners (or their estates) sell their homes, the homes are bought by higher income households who do not qualify for HRLP loans.

Because of declining demand for such loans and the increasing cost of administering single family rehabilitations, staffing for the HRLP has been reduced through attrition over recent years. When the last remaining HRLP staffer retired in November, 2010, City management decided to not fill the position. Consequently, for the first time in 35 years, the HRLP did not apply for new CDBG funds for the upcoming fiscal year. The HRLP will no longer provide loans to low-income owner-occupants.

Since the HRLP does not have the staffing to administer single-family rehabilitations, the HRLP will focus on affordable multifamily housing projects owned by non-profit sponsors. Staff recommends that the City HRLP initially focus on the deferred rehabilitation needs of the Housing Authority's projects. The Housing Authority has several rehabilitation jobs that are ready to proceed, and has experienced staff to assure that the work will be high quality and will proceed quickly to completion.

Proposed Grants to the Housing Authority:

The three Housing Authority projects for the proposed HRLP grants are listed below:

- The largest rehabilitation grant is proposed for the SHIFCO low income senior housing project, located at 418 Santa Fe Place. The project contains 107 one-bedroom units (plus one manager's unit). The entire project is in need of new roofs, at an estimated cost of about \$550,000. This is an average of about \$5,000 per unit. Like all CDBG rehabilitation projects of more than four units, this project must comply with federal prevailing wage requirements.
- Substantial rehabilitation of the six units at 2941 State Street. In October, 2010, the City's Redevelopment Agency approved a loan of \$360,000 for the Housing

Authority's purchase of the property and the City approved a grant of \$90,000 in CDBG rehabilitation funds for initial rehabilitation. At that time, staff advised Council that the Housing Authority would identify additional rehabilitation needs for the property and return to Council to request more funding. They have completed their assessment, and are requesting an additional \$210,000 in CDBG funds for electrical upgrades, window replacement, interior work and repairs to balconies and stairs.

- Completion of the re-roofing at 521 N. La Cumbre Road (about \$90,000). The Housing Authority began to replace the roofs on this 60 unit senior housing project, but did not have sufficient funds in the project's reserves to complete the work. This additional grant will enable them to complete the re-roofing work.

The total estimated cost of these jobs is \$850,000, and the staff recommendation is that Council approve grants up to \$850,000. However, as noted earlier in this report, the current balance of the Revolving Loan Fund is about \$675,000 (although repayment funds continue to accrue each month). At some point during the rehabilitation work, the Revolving Loan Fund will likely be exhausted. At that point, the Housing Authority will need to either cut back on the scope of the rehabilitation work (perhaps at 2941 State) or will use another source of funds to complete the work. This means that the actual total of these CDBG grants may be less than \$850,000.

The City doesn't usually approve grants in excess of available funds. Staff is proposing this unusual grant structure in order to facilitate the City's compliance with CDBG deadlines for the expenditure of new CDBG funds. A portion of the City's Revolving Loan Fund came from a prior CDBG grant for new HRLP loan funds. Under CDBG regulations, the City may not draw down this portion until all loan repayment funds are first exhausted. Because we have never reached a zero balance in the Revolving Loan Fund, these unspent CDBG funds are carried over from year to year, and these carryovers make it more difficult for the City to meet the CDBG spending deadlines. We can eliminate these carryovers if we spend the Revolving Loan Fund down to a zero balance sometime during the work on these three properties. With new funds coming in every month, the only way to spend all available funds is to commit more than we estimate we will have. The Housing Authority understands this dilemma, and looks forward to working with City staff in order to spend the available funds in the most effective way possible. The grant agreements to be entered will expressly provide that, should the balance of the Revolving Loan Fund reach zero during the course of the rehabilitation work, the City will not extend any additional funds and the City's obligation under the agreement will terminate.

Conclusion

Staff supports the Housing Authority's request and recommends approval of the requested grants of CDBG funds in order to continue preserving well-maintained and affordable housing for low income residents. Staff requests that the Finance Committee review this item and recommend Council approval.

PREPARED BY: Brian Bosse, Housing and Redevelopment Manager/SBF

SUBMITTED BY: Paul Casey, Assistant City Administrator/Community
Development Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Finance Committee

FROM: Administration Division, Finance Department

SUBJECT: Finance Committee Review Of The Proposed Two-Year Financial Plan For Fiscal Years 2012 And 2013

RECOMMENDATION:

That the Finance Committee hear a report from staff on the Proposed Two-Year Financial Plan for Fiscal Years 2012 and 2013, including the Recommended Budget for Fiscal Year 2012.

DISCUSSION:

On Tuesday, April 19, 2011, the Proposed Two-Year Financial Plan for Fiscal Years 2012 and 2013 ("Proposed Plan") was submitted to Council. That day, the Finance Committee approved its budget review schedule for the Proposed Plan and the additional topics that it will review.

On Tuesday, April 26, 2011, in connection with its review of the budget, the Finance Committee discussed the General Fund balancing strategy, including the measures implemented to correct the anticipated \$2.7 million structural deficit, General Fund non-departmental revenues and growth assumptions, and citywide proposed changes to authorized positions.

At today's meeting, the Finance Committee will review the following two budget topics:

1. General Fund departmental proposed fee changes, and
2. Golf Enterprise Fund proposed fees.

The next meeting for the Committee's review of the Proposed Plan is scheduled on Tuesday, May 10, 2011, from 11:00 a.m. – 1:45 p.m., when the Committee will continue its review of proposed changes to fees and service charges for both the General Fund and Enterprise Fund departments.

The approved Finance Committee budget review schedule is attached to this report.

ATTACHMENT: Approved Finance Committee Budget Review Schedule

PREPARED BY: Jill Taura, Treasury Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA

Approved Finance Committee Budget Review Schedule
Two-Year Financial Plan for Fiscal Years 2012 and 2013

Meeting Date & Time	Department
Tuesday, April 26, 2011 12:00 p.m. – 1:45 p.m.	. ➤ General Fund balancing strategy (20 min) ➤ General Fund non-departmental revenues and growth assumptions (20 min) ➤ Proposed changes to authorized positions (20 mins)
Tuesday, May 3, 2011 11:30 a.m. – 1:45 p.m.	➤ General Fund proposed departmental fee changes (1 hour) ➤ Golf Enterprise Fund proposed fees (20 min)
Tuesday, May 10, 2011 11:00 a.m. – 1:45 p.m.	➤ General Fund proposed departmental fee changes – Part 2 (30 min) ➤ Enterprise fund proposed fee changes (1 hour 45 min) – Water, Wastewater, Waterfront, and Solid Waste
Tuesday, May 17, 2011 12:00 p.m. – 1:45 p.m.	➤ Review of Citywide reserve balances and policies (30 min) ➤ Follow-up on items requested by Finance Committee, if any
Tuesday, May 24, 2011 12:00 p.m. – 1:45 p.m.	➤ Follow-up on items requested by Finance Committee, if any ➤ Staff recommended adjustments to FY 2012 Budget, if any



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Employee Recognition – Service Award Pins

RECOMMENDATION:

That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through May 31, 2011.

DISCUSSION:

Since 1980, the City Employees' Recognition Program has recognized length of City Service. Service award pins are presented to employees for every five years of service. Those employees achieving 25 years of service or more are eligible to receive their pins in front of the City Council.

Attached is a list of those employees who will be awarded pins for their service through May 31, 2011.

ATTACHMENT: May 2011 Service Awards

SUBMITTED BY: Marcelo A. López, Administrative Services Director

APPROVED BY: City Administrator's Office

MAY 2011 SERVICE AWARDS

May 3, 2011, Council Meeting

5 YEARS

Graciela Reynoso, Human Resources Analyst, Administrative Services
Elizabeth Stotts, Community Development Programs Specialist, Community
Development

John Nelson, Police Office, Police

Justin Berman, Parking Coordinator, Public Works

Arianna Castellanos, Parking Coordinator, Public Works

Johny Salas, Assistant Parking Coordinator, Public Works

10 YEARS

Bryan Jensen, Police Officer, Police

Christina Ortega, Police Officer, Police

Kevin Rhyne, Police Officer, Police

15 YEARS

Susan Gray, Administrative Services Manager, Community Development

Susan Gantz, Planning Technician II, Community Development

Michael Ullemeyer, Identification Technician, Police

20 YEARS

Onalisa Hoodes, Administrative Specialist, Police

Ed Olsen, Police Sergeant, Police

Paul Rodriguez, Senior Airport Maintenance Worker, Airport

25 YEARS

Steven Berman, Fire Battalion Chief, Fire

Brian Porter, Fire Captain, Fire

Michael Gordon, Water Distribution Operator Technician, Public Works

Therese Gibson, Airport Marketing Coordinator, Airport

35 YEARS

Alvin James, Fire Engineer, Fire



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

**SPECIAL MEETING
April 11, 2011
2915 De La Vina Street**

CALL TO ORDER

Mayor Pro Tempore White called the meeting to order at 1:40 p.m.

ROLL CALL

Councilmembers present: Dale Francisco, Frank Hotchkiss, Randy Rowse, Mayor Pro Tempore White.

Councilmembers absent: Grant House, Michael Self, Mayor Helene Schneider.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley.

PUBLIC COMMENT

No one wished to speak.

NOTICES

The City Clerk has on Thursday, April 7, 2011, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

SITE VISIT

Subject: 2915 De la Vina Street

Recommendation: That Council make a site visit to the property located at 2915 De la Vina Street, which is the subject of an appeal hearing set for April 12, 2011, at 2:00 p.m.

Speakers:

Staff: Associate Planner Daniel Gullett.

Discussion:

The Council toured the dispensary, including the entry lobby, interior lobby, and secure storage area. Staff responded to questions from the Councilmembers.

ADJOURNMENT

Mayor Pro Tempore White adjourned the meeting at 2:00 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

_____	ATTEST: _____
BENDY WHITE	BRENDA ALCAZAR, CMC
MAYOR PRO TEMPORE	DEPUTY CITY CLERK



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Capital Improvement Projects Third Quarter Report For Fiscal Year 2011

RECOMMENDATION:

That Council receive a report on the City's Capital Improvement Projects (CIP) for the Third Quarter of Fiscal Year 2011.

EXECUTIVE SUMMARY:

This report summarizes progress on capital improvement projects in the Third Quarter of Fiscal Year 2011.

DISCUSSION:

CONSTRUCTION HIGHLIGHTS

Six Notices of Completion were filed in the Third Quarter of Fiscal Year 2011, with total project costs exceeding \$7 million (Attachment 1). Highlights are as follows:

- Parking Lots 4 and 5 Circulation and Accessibility Improvements (\$676,598) - This project was funded through the Downtown Parking Capital Fund. It was the last phase of the City's system-wide replacement of all parking revenue control equipment. The work included improving lot entrances, upgrading existing lots to comply with the Americans with Disabilities Act (ADA) standards, improving path of travel, new landscaping, and installing fiber optic links.
- Alisos Street Access Ramps (\$205,918) - Alisos Street is a heavily used pedestrian alternative to Milpas Street and had many areas where there were no sidewalk access ramps.

In 2006, the Access Advisory Committee designated Alisos Street as a priority for sidewalk access and ramps, to complete accessibility to the street. The work

included installing new access ramps at 16 intersections. The project was federally funded by the Community Development Block Grant (CDBG) program.

- American Recovery and Reinvestment Act (ARRA) Catch Basin Repair (\$194,878) - This project consisted of repair or replacement of 34 damaged catch basins located throughout the City. These locations were identified by the Creeks Division for the "Installation of Debris Screens" Project. In order to place the debris screens, the 34 catch basins needed to be repaired or replaced. The project was funded by the ARRA through the State of California Clean Water State Revolving Fund.
- Mission Creek Restoration and Fish Passage at Tallant Road (\$824,652) - The Tallant Road Bridge had a large concrete apron and a buried sewer line encased in concrete at the bridge; each were considered to make fish passage upstream almost impossible. The sewer relocation was funded by the Wastewater Division. The California Fish and Game and National Oceanic Atmospheric Administration Grants funded the fish passage improvements. With these funds, the project removed the barriers and restored the site to a more natural running creek with extensive vegetation that will eventually shade the creek.
- Zone 4 Pavement Preparation (\$909,830) - The work consisted of repairing localized pavement distress on various roads, mainly in the Zone 4 Pavement Maintenance Area, which is generally the Mesa, Waterfront, Lower Westside, and Lower Eastside neighborhoods. In conjunction with this project, various parking lots were also included in the work. This project was funded by Measure D, Proposition 1B, Local Surface Transportation Program grant funds, and Parking Funds.
- Carrillo Recreation Center Rehabilitation (\$5,089,787) - This project rehabilitated this City-designated historic landmark, built in 1913. It featured restoring architectural finishes in three dance studios, two meeting rooms, and the 4,000 square foot Carrillo Ballroom. The completed project incorporated sustainable design strategies, green building materials, and construction techniques. The City anticipates a Leadership in Energy and Environmental Design (LEED) silver certification. A grand opening for the Carrillo Recreation Center is planned for summer 2011, after the completion of the landscape and site furnishing phase of the project.

In addition, 19 Capital Improvement Projects are currently under construction, with an approximate value of \$62,101,797 (Attachment 2). The following are highlights of construction projects in progress:

Environmental Services:

- Elings Park Methane Gas Collection and Control System (\$496,460) - Four landfill gas extraction wells have been installed. The remaining work includes installation of a thermal oxidizer unit, which will safely remove any gases collected from the wells. This project is scheduled to be completed in the first quarter of Fiscal Year 2012.

Redevelopment Agency:

- Structural Upgrades to Parking Structures 10, 9 and 2 (\$1,374,000) - The project is proceeding very well, with Lot 10 reopened for public use in mid-April 2011, one week ahead of schedule. Lot 9 is scheduled to be closed to the public in May and reopen in June 2011. Lot 2 is scheduled to start construction in February 2012.

Public Works Streets/Bridges:

- Haley/De La Vina Bridge at Mission Creek (\$4,721,406) - The 18-month long bridge replacement project at the intersection of Haley and De La Vina Streets was open for traffic by the end of April 2011. The contractor still needs to complete some remaining intersection improvements and final utility relocations, which are scheduled for later this summer.
- Ortega Street Bridge at Mission Creek (\$2,909,893) - Construction began in late April 2011 and is scheduled to continue through the first quarter of Fiscal Year 2012. West Ortega Street will be closed between Bath and Castillo Streets during construction; however, residents will be able to enter on either side of the bridge construction area. The bridge is being replaced to meet current structural standards and is part of the overall Lower Mission Creek Restoration Plan.

Wastewater:

- Sewer Main Point Repairs Fiscal Year 2011 (\$784,400) - The work consists of replacing sewer mains, manholes, and appurtenances as part of the annual sewer main upgrade program. These repairs are located at various locations around the City, depending on the severity of the repair. This project is scheduled to be completed in the fourth quarter of Fiscal Year 2011.

DESIGN HIGHLIGHTS

There are currently 45 projects under design, with an estimated total project cost of \$131,539,062 (Attachment 2).

Work is scheduled to be funded over several years, as generally shown in the City's Six-Year Capital Improvement Program Report. The projects rely on guaranteed or anticipated funding and grants.

The following are design project highlights:

Creeks:

- Mission Creek Concrete Channel Fish Passage and Riparian Habitat Enhancement (\$1,000,000) - There are two concrete lined flood control channels, 1,500 foot and 4,500 foot long, known as the Caltrans Channels, that are major barriers to the steelhead migration. The Creeks Division has received two grants from the California Department of Fish and Game, and one private grant for the project design from the Annenberg Foundation through the Environmental Defense Center. Construction at the upper 1,500 foot channel is scheduled for summer 2011. Construction of the lower channel will follow, funded at an estimated \$1M and upon receipt of additional construction funding.

Redevelopment Agency:

- Community Development Block Grant (CDBG) Lower West Downtown Lighting Improvement Project (\$750,000) - The design of Phase One is scheduled for summer 2011.

Streets:

- Fiscal Year 2011 Sidewalk Access Ramp Project (\$150,000) - This project proposes to install 17 access ramps throughout the City. Currently, easements are being obtained for three of the adjacent properties. Once these easements are signed and accepted by Council, the project will be put out to bid.
- Sycamore Creek Improvements Channel Phase One (\$699,500) - The proposed project involves creek widening and bank restoration improvements just north of Highway 101, and ending just north of the Punta Gorda Street Bridge. The project is broken into two phases. Phase One consists of channel improvements only. Phase Two consists of replacement of the Punta Gorda Street Bridge and channel improvements.

Wastewater:

- Headworks Screening Rehabilitation (\$5,737,687) - The Headworks project at the El Estero Wastewater Treatment Plant is scheduled to start construction in summer 2011. This 14-month long construction project will replace the existing influent screen system, increase its reliability, and reduce its maintenance. The project funding is from the California State Revolving Fund.

Water:

- El Cielito Pump Station Backup Generator (\$370,000) - This project will provide electrical power from a new 600 kilowatt generator to the pump station during power outages. The new walls are being installed for attenuation and visual enhancement of the site. The generator is located at the El Cielito Pump Station, which is adjacent to the Sheffield Reservoir.

ATTACHMENTS:

1. Completed Capital Improvement Projects for Third Quarter Fiscal Year 2011
2. Capital Projects with Design and Construction in Progress
3. Completed Capital Projects for Fiscal Year 2011

PREPARED BY: Pat Kelly, Assistant Public Works Director/City Engineer/TB

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

COMPLETED CAPITAL PROJECTS, THIRD QUARTER FISCAL YEAR 2011

Project Name	Parking Lots 4 & 5 Circulation and Accessibility	Alisos Street Sidewalk Access Ramps	ARRA Catch Basin Repair	Mission Creek Fish Passage at Tallant Rd.	Zone 4 Pavement Maintenance	Carrillo Recreation Center	TOTALS
Design Costs	\$115,127	\$20,717	\$10,096	\$91,575	\$63,354	\$760,390	\$1,061,259
Construction Contract	\$472,969	\$145,015	\$166,090	\$576,706	\$720,254	\$3,060,905	\$5,141,939
Construction Change Order Costs	\$31,683	\$-1,877	\$1,915	\$57,574	\$41,326	\$442,408	\$573,029
Construction Management Costs	\$56,819	\$42,063	\$16,777	\$98,797	\$84,896	\$826,084	\$1,125,436
Total Project Costs	\$676,598	\$205,918	\$194,878	\$824,652	\$909,830	\$5,089,787	\$7,901,663

CAPITAL PROJECTS WITH DESIGN AND CONSTRUCTION IN PROGRESS

PROJECT CATEGORY	DESIGN IN PROGRESS	
	No. of Projects	Total Value of Projects
Airport	2	\$2,160,000
Creeks	1	\$1,000,000
Library	1	\$840,000
Parks and Recreation	1	\$615,000
Public Works: Streets/Bridges	5	\$43,118,640
Public Works: Streets/Transportation	10	\$12,397,742
Public Works: Water/Wastewater	17	\$59,170,680
Redevelopment Agency	7	\$11,760,000
Waterfront	1	\$477,000
TOTAL	45	\$131,539,062

PROJECT CATEGORY	CONSTRUCTION IN PROGRESS	
	No. of Projects	Construction Contract Costs
Airport	5	\$37,972,428
Environmental Services	1	\$496,460
Public Works: Streets/Bridges	2	\$7,631,299
Public Works: Streets/Transportation	3	\$2,527,907
Public Works: Water/Wastewater	3	\$2,215,434
Redevelopment Agency	4	\$7,043,123
Waterfront	1	\$4,215,146
TOTAL	19	\$62,101,797

COMPLETED CAPITAL PROJECTS FISCAL YEAR 2011

First Quarter Fiscal Year 2011	Total Project Costs
Water Main Replacement	\$1,960,795
West Cabrillo Pedestrian Improvements	\$2,877,873
Total	\$4,838,668

Second Quarter Fiscal Year 2011	Total Project Costs
Las Positas Creek Restoration and Storm Water Management	\$3,163,536
Marina One Replacement - Phase I	\$2,145,671
Eastside Sidewalk and Access Ramps	\$141,658
Parma Park Equestrian Staging Area	\$317,884
Total	\$5,768,749

Third Quarter Fiscal Year 2011	Total Project Costs
Parking Lots 4 & 5 Circulation & Accessibility Improvements	\$676,598
Alisos Street Access Ramps	\$205,918
ARRA Catch Basin Repair Project	\$194,878
Mission Creek Restoration & Fish Passage @ Tallant Rd.	\$824,652
Zone 4 Pavement Preparation	\$909,830
Carrillo Recreation Center Rehabilitation	\$5,089,787
Total	\$7,901,663

Grand Total for Fiscal Year 2011 to date - \$18,509,080



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011
TO: Mayor and Councilmembers
FROM: Airport Administration, Airport Department
SUBJECT: Purchase Order For Airline Terminal Gala Event

RECOMMENDATION: That Council:

- A. Find it is in the City's best interest to waive the formal bid process as authorized in Municipal Code Section 4.52.070 (k) and authorize the General Services Manager to issue a purchase order to Rincon Beach Club & Catering as the single source and most favorable source for providing the City with the food and beverage services and rentals for 1,500 guests for the Airline Terminal Gala event on June 17, 2011, at a not-to-exceed amount of \$106,500, funded from ticket sales and sponsorship revenue; and
- B. Authorize an increase in appropriations and estimated revenues by \$106,500 in the Airport Operating Fund to cover the costs of the Gala event funded from sponsorships and ticket sales.

DISCUSSION:

Background

The Airline Terminal Project is about 68% complete. The new terminal building will be operational this summer with the final phase of the terminal project to be completed in winter 2012. Once the new terminal building is completed, all airline and concession operations will relocate from the existing terminal to the new building. Once vacated, the existing 1942 terminal will undergo relocation and rehabilitation and the loop road and short-term parking will be completed.

Grand Opening Events

As the new terminal building will be complete in early summer, Airport staff has been planning grand opening events scheduled for June 15 – 19. Grand opening events are being held before the entire project is complete because once the new terminal is operational the community will not have an opportunity to see both floors of the facility unless they are a ticketed passenger. The theme for all the grand opening events is "The Art of Travel".

The planned events are as follows:

Wednesday, June 15 – Accessibility Tour

10 a.m. – noon and 1 p.m. – 3 p.m. Free Event

Tours to highlight the accessibility features of the new terminal. Staff is coordinating with organizations whose mission is to serve those with accessibility needs. Attendance of about 200 people is expected.

Thursday, June 16 – Employee Tours

Airport hosted appreciation BBQ lunch and tours for airline, TSA, concession, and terminal construction employees. Attendance of about 250 is expected.

Friday, June 17 – Gala

6 p.m. – 10 p.m. \$125/person

This is a fundraising event to showcase the new terminal and its services and raise funds for the Airline Terminal Public Art Program. The event will feature entertainment, exhibits, “heavy” hors d'oeuvres (in lieu of a sit-down dinner), tastings from regional wineries and breweries, and the terminal arts program. The expected attendance is about 1,200 – 1,500 people. The event is solely funded from ticket revenue and sponsorships.

Sunday, June 19 – Community Open House

11 a.m. – 3 p.m. Free Event

Open house event featuring tours, exhibits, and an official ribbon-cutting ceremony. Attendance will be by reservation as about 5,000-7,000 people are expected.

Event Plan by Rincon Beach Club & Catering

For the Gala event, staff requested menus from several local catering companies and selected Rincon Beach Club & Catering. Rincon has been offering local catering services since 1984 and caters events from small gatherings to large events such as the annual fundraising event at the Santa Barbara Zoo. Rincon was selected for its proposed menu, experience in catering large events, local references, and the best fit for this event.

Rincon will provide a field kitchen, four food stations with “heavy” hors d'oeuvres, beverages, staffing, rentals (tables, chairs, linens, outdoor heaters, etc.), disposable plates and utensils, set-up and break-down. This will be a zero waste event. Pricing is per person and consumption, if the total number of guests is less than 1,500 then the cost will be less. The amount listed is the not to exceed amount for 1,500 guests. Rincon's pricing includes a 20% discount on food and beverage and a 58% discount on rentals.

BUDGET/FINANCIAL INFORMATION:

Funding for this purchase order will be from ticket sales and event sponsorships. Within the first week of soliciting sponsorships, the Airport has received \$24,500. Any funds received in excess of the Gala event costs will be used for the Airport Art Program.

PREPARED BY: Hazel Johns, Assistant Airport Director

SUBMITTED BY: Karen Ramsdell, Airport Director

APPROVED BY: City Administrator's Office



Agenda Item No. _____

File Code No. 550.01

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Mayor and Councilmembers

FROM: Transportation Division, Public Works Department

SUBJECT: Street Parking Determination For Brinkerhoff Avenue

RECOMMENDATION:

That Council provide direction regarding the request of Brinkerhoff Avenue (Brinkerhoff) residents to maintain the one-way street with angled parking.

DISCUSSION:

Brinkerhoff was temporarily reconfigured for one-way traffic and angled parking to mitigate parking loss and cut-through traffic during the construction of the Haley/De La Vina Street Bridge. The reconfiguration increased the net parking to 41 spaces from the existing 35 spaces. In addition, it allowed for the closure of Haley Street at Chapala Street, moving all westbound traffic to Cota Street. After a year and a half in this configuration, some residents of Brinkerhoff requested that the temporary one-way traffic direction and parking configurations be made permanent.

The Transportation Division requested that the residents circulate a petition (Attachment) to gauge support for the change. Of the residents that signed the petition, the strong majority are requesting that the City make the temporary circulation and parking configuration permanent. Some of the residents would prefer one-way circulation with normal parallel parking, and one would prefer the street to return to its prior configuration.

City staff supports returning to the prior configuration or making the temporary street configuration permanent. Angled parking works on the east side of Brinkerhoff because there are no driveways and the street has low traffic volume, which allows for angled parking without causing traffic congestion.

If Council determines that Brinkerhoff should be one-way with angled parking, the ends of the street should be reconfigured to prevent wrong-way turns from Haley Street and provide for protection of vehicles in the parking lane. To accomplish this design feature, staff will place temporary planter boxes at each end of the street immediately. This

temporary feature is appropriate for traffic control and could remain in place for an indefinite period of time.

The permanent configuration would require both ends of Brinkerhoff to be reconstructed to narrow the roadway width to 22 feet to provide adequate width for truck traffic and emergency vehicles. The narrowing of the termini would also provide the necessary visual cue to drivers on Haley Street to assist them in recognizing Brinkerhoff as a one-way street, and provide a better location for one-way signage.

Additionally, staff will return to Council at a later date with a Consent item to add Brinkerhoff to the schedule of one-way streets listed in Section 10.60.030 of the Santa Barbara Municipal Code.

On March 10, 2011, the resident's request went before the Transportation and Circulation Committee (TCC). The TCC unanimously supported angle parking and a one-way road configuration.

On March 30, 2011, the resident's request went before the Historic Landmarks Commission (HLC) for conceptual review. The HLC could support neither the angled parking nor the one-way configuration and found that the proposed improvements are not consistent with the historic nature of the Landmark District. The HLC has tabled the item until Council has had the opportunity to review the proposal and give direction to City Staff.

Given the conflicting positions of the two Advisory Commissions, staff is requesting guidance from Council. Based on the position demonstrated by the HLC at their March 30, 2011, meeting, they are opposed to the present reconfiguration design; however, the residents on Brinkerhoff are requesting that Council support their request and provide the necessary direction to staff and the HLC to finalize the design.

Staff understands that the new roadway configuration would require environmental review prior to the item returning to Council for action. The likely environmental document is an exemption supported by a Historic Structures Report. However, the findings of the Historic Structures Report would determine whether the project would be exempt or whether further environmental review would be required.

BUDGET/FINANCIAL INFORMATION:

Currently, the project is not part of the Streets Transportation Capital Improvement Program and is not funded. The project would be added to the future Capital Improvement Program and prioritized with other City capital needs.

The permanent configuration of Brinkerhoff Avenue as a one-way street may not be completed for a couple years or more due to funding constraints. The estimated cost of the environmental review is \$7,000, and necessary approvals, design, and construction costs range between \$50,000 and \$100,000 if the HLC accepts the proposed design. If

the HLC does not accept the proposed design, an additional \$10,000, may be required to redesign the project.

ATTACHMENT: Brinkerhoff Petition

PREPARED BY: Browning Allen, Transportation Manager/JWG/kts

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

Attachment

Brinkerhoff Street Striping and Parking Plan January, 2011

We, the undersigned property and business owners on Brinkerhoff, Cota, and Haley Streets, do hereby submit this petition in consideration of the future striping and parking plan for Brinkerhoff Street.

Name	Address	Phone	Email	Comments (optional)	Interest (check one or both)		Striping and Parking Plan Preference (Check One)	
					Property Owner	Business Owner	Change the street back to two way parallel parking	Leave the street one way with diagonal parking
✓ Dana Longo	509 Brinkerhoff Ave	[REDACTED]	[REDACTED]			✓		✓
✓ David Nipper	507 Brinkerhoff	[REDACTED]	[REDACTED]			✓		✓
✓ Susan Love	501 Brinkerhoff	[REDACTED]	[REDACTED]		✓	✓		✓
✓ Judy Yee	515 Brinkerhoff	[REDACTED]	[REDACTED]		✓			✓
✓ Celeste Varner	536 Brinkerhoff	[REDACTED]	[REDACTED]		✓	✓		✓
✓ Liz Terry	536 Brinkerhoff	[REDACTED]	[REDACTED]		✓			✓
✓ Carl Hightower	528 Brinkerhoff	[REDACTED]	[REDACTED]	Thanks	✓	✓		✓
✓ Edward Russell	528 Brinkerhoff	[REDACTED]	[REDACTED]					✓
✓ BARBARA PRIMEAU	524 BRINKERHOFF	[REDACTED]	[REDACTED]		✓			✓
✓ PAUL B. PRIMEAU	524 BRINKERHOFF	[REDACTED]	[REDACTED]	GREAT	✓			✓
✓ FAYE LEAIR	524 BRINKERHOFF	[REDACTED]	[REDACTED]		✓			✓
✓ DONALD R. LABEAU	518 BRINKERHOFF AVE	[REDACTED]	[REDACTED]		✓			✓

Brinkerhoff Street Striping and Parking Plan
January, 2011

We, the undersigned property and business owners on Brinkerhoff, Cota, and Haley Streets, do hereby submit this petition in consideration of the future striping and parking plan for Brinkerhoff Street.

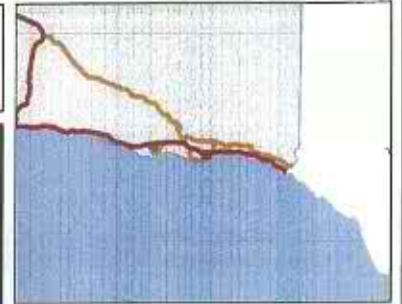
Name	Address	Phone	Email	Comments (optional)	Interest (check one or both)		Striping and Parking Plan Preference (Check One)	
					Property Owner	Business Owner	Change the street back to two way parallel parking	Leave the street one way with diagonal parking
✓ BARRY WARD	512 Brinkerhoff	[REDACTED]	[REDACTED]			✓ WARD		✓
✓ Carolina Cardona	529 Brinkerhoff	[REDACTED]	[REDACTED]		✓			
✓ PA. Roberts-Morris	529 Brinkerhoff	—	[REDACTED]		✓			✓
MARY ROSES	529 Brinkerhoff		[REDACTED]		✓			✓
ALEX MORRIS	529 Brinkerhoff Ave		[REDACTED]		✓			✓
✓ Jeanne Kahre	532 Brinkerhoff	[REDACTED]	[REDACTED]		✓			✓
✓ GEORGE OGLE	519 Brinkerhoff	[REDACTED]	[REDACTED]		✓			✓
{ Robert								
✓ { Trivette	533 Brinkerhoff	[REDACTED]	[REDACTED]		✓			✓
✓ { Wanda	507 Brinkerhoff	[REDACTED]	[REDACTED]		✓			✓
✓ { Trivette	509 Brinkerhoff	[REDACTED]	[REDACTED]		✓			✓

Robert Tavernas

[illegible]



City of Santa Barbara



Legend

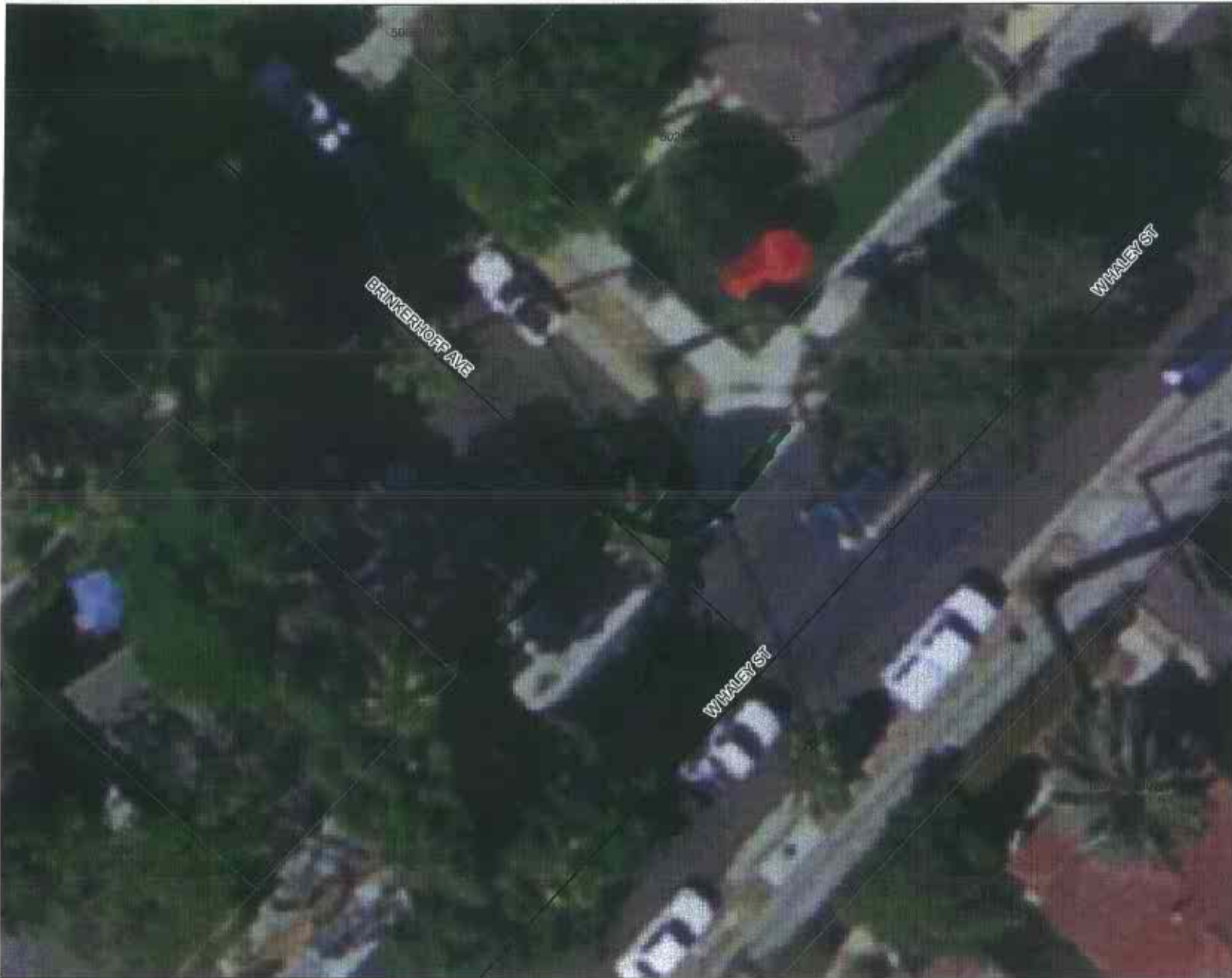
- Streets
- Parcels
- Imagery: 2008 Images
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Notes

Enter Map Description



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MAP DISCLAIMER

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City of Santa Barbara



Legend

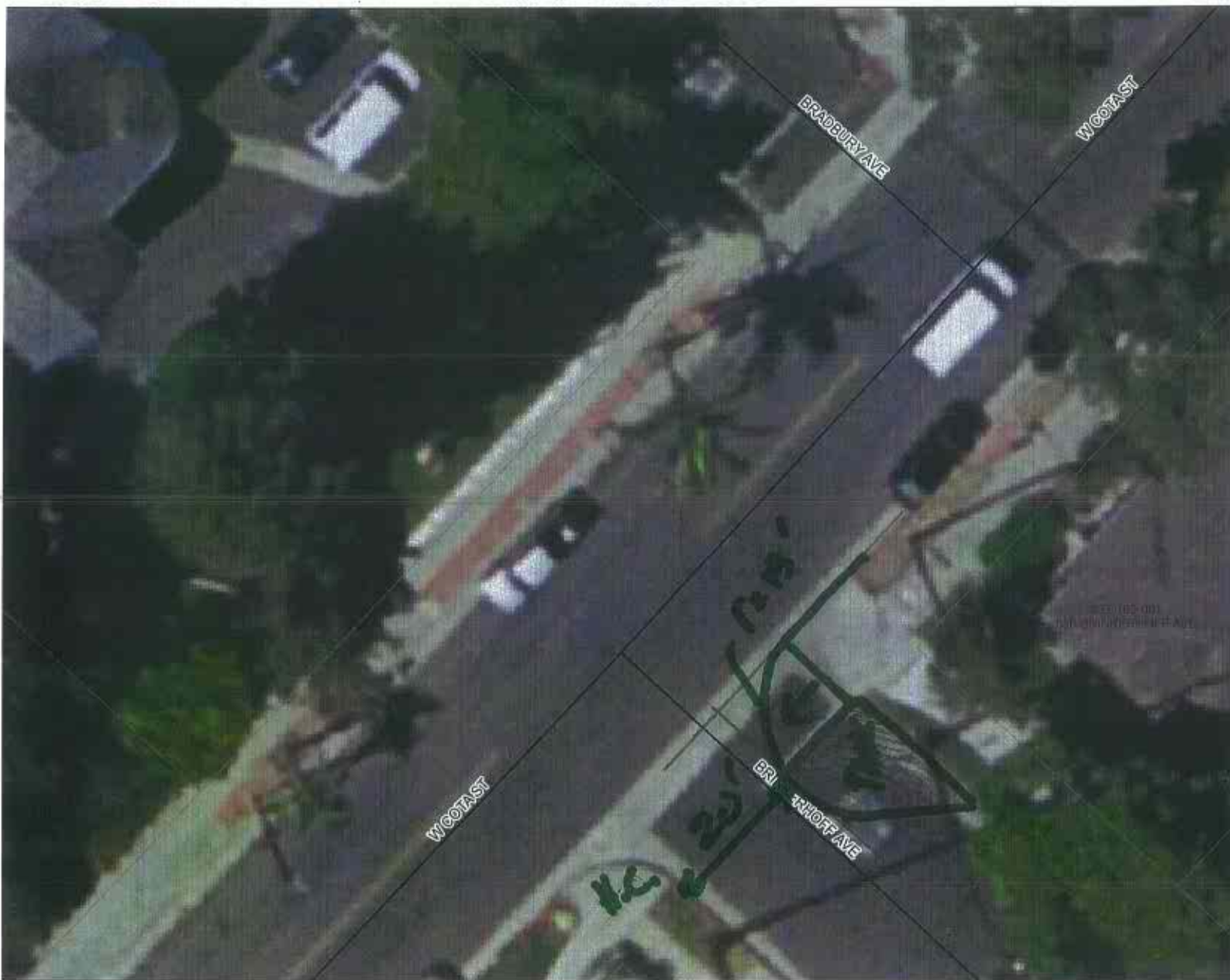
- Streets
- Parcels
- Imagery: 2008 Images
- Imagery: 2008 Images
- Imagery: 2008 Images

1: 250



Notes

Enter Map Description



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City Council Hearing: May 3, 2011

To: Madam Mayor and Members of City Council

Re: Appeal to render Brinkerhoff Avenue a one-way street with diagonal parking

At the March 30th HLC Hearing, not one HLC member agreed with the consent hearing request to make Brinkerhoff Avenue a one-way street with diagonal parking. I agree with the comments made by members of the HLC and am strongly opposed to diagonal parking on Brinkerhoff for the reasons below.

1. Burden to the East Side.

The current 41 space parking strip on the east side of Brinkerhoff Ave. looks like the parking strip of a mall. It's a continuous strip containing all manner of vehicles: cars, motorcycles, vans and trucks. And, it has a constant presence: morning, noon and night. In fact, it acts as a "wall", visually separating the east and west side of the street. The west side benefits in that its sidewalks and gardens are unmolested; too, the west side is opened to traffic and view. The east side bears the burden, including headlights & noise from evening parkers.

2. Devaluation of Brinkerhoff's former character and charm.

A one page Sunset magazine article from the early 1980s, entitled "19th Century Santa Barbara on Brinkerhoff Avenue," lauded our street's "throwback charm to another era." Also in the 1980s, Brinkerhoff's Business Group published a brochure, exclaiming that "Brinkerhoff Avenue alone reflects the area's turn-of-the-century visual character and for this reason it has been designated a special historic district by the City of Santa Barbara."

I believe it is this "throwback charm" and "visual character" that the HLC seeks to preserve....as do I. And that makes Brinkerhoff a special gem. The requested diagonal parking is a major departure from that. It is discordant in design to angle vehicles to the parallel streets & sidewalks. Moreover, in loading all manner of vehicles on the east side only, there is an imbalance and the block is split into 2

visual entities. The original Parallel Parking Design is visually simpler...calmer...historic...and consistent with parking standards citywide. As Urban Historian Jacobus has said at the HLC hearing, Brinkerhoff's original design plan allowed for/created an outdoor room of cottages (on both sides and ends) which surrounded an open space of parallel streets and sidewalks which spoke of unity and simplicity and calm. The current plan, according to Jacobus, maintains the cottage rim, but substantially changes the spatial relationships due to what I see as the "vehicle wall".

3. Absence of Neighborhood Meeting

No neighborhood meeting was ever held in order to brainstorm potential solutions which might have been acceptable to the HLC in preserving the neighborhood aesthetic and history and in substantially satisfying neighbor concerns for parking availability and/or convenience.

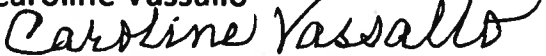
Summary.

Any chipping away at the visual part of the original Brinkerhoff Design is detrimental to its historic & spatial context. We on Brinkerhoff will come & go, but the Brinkerhoff Landmark District has its own life, one with a special quality of charm and simplicity that will live way beyond us. Its context will become ever more precious and rare as time moves on.

Please do not allow our street to become just another unattractive shopping mall parking strip, a so-called upgrade to "easy" parking--instant gratification. Brinkerhoff deserves way better than that--for *everyone*.

Thank you.

Caroline Vassallo


514 Brinkerhoff Avenue

PARALLEL PARKING ON BRINKERHOFF



DIAGONAL PARKING ON BRINKERHOFF





DIAGONAL PARKING - EAST SIDE - BRINKERHOFF





CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Mayor and Councilmembers

FROM: Environmental Services Division, Finance Department

SUBJECT: Professional Services Agreement For Zone 1 Hauler Franchise
Renewal

RECOMMENDATION: That Council:

- A. Authorize the Finance Director to negotiate and execute a Professional Services Agreement, in a form acceptable to the City Attorney, with HF&H Consultants, LLC, in an amount not to exceed \$110,200 for competitive contracting assistance; and
- B. Appropriate \$110,200 from the available reserves of the City's Solid Waste Fund to cover these contract costs and direct staff to require any successful Zone 1 Hauler to reimburse the City for these costs as part of the franchise agreement to be awarded.

DISCUSSION:

Background

Since 2003, the City has had two "zones" for solid waste collection and disposal in the business, multi-unit residential, and single family residential sectors. The City's franchise contract with Allied Waste Services of North America, LLC (Allied Waste) for solid waste collection in Zone 1 will expire on June 7, 2013. A zone map is attached as Attachment 1.

These are the two largest contracts the City has with a private vendor. Collectively, the haulers are paid over \$15.5 million in City rate payer funds for these services. The cost of these services is funded entirely through the solid waste rates which the City charges to its residents and businesses.

Staff is recommending professional support from HF&H for the procurement, evaluation, and negotiations processes (Attachment 4). HF&H Consultants, LLC, is a respected firm that has assisted with hundreds of similar procurement processes. Staff was been impressed by the responsiveness and professionalism of HF&H staff. Council members and the public can review HF&H's qualifications on their website:
<http://www.hfh-consultants.com/contract-services.html>

The use of professional services by public agencies in solid waste hauler franchise negotiations is almost universal given the importance and complexity of the services involved, changes in solid waste management practices and related technologies, the high level of industry regulation, and the significant financial commitments involved. A 10-year franchise agreement for Zone 1 would be expected to encompass over \$80 million in consumer services paid to the hauler over a 10-year franchise.

When staff first made its recommendation on November 23, 2010, Council approved an interim contract with HF&H of \$10,000 and directed staff to meet with the Sustainability Committee to discuss the remainder of the contract further. Staff, together with Laith Ezzett from HF&H, met with the Sustainability Committee and received unanimous support from the Committee for the contract with HF&H in a reduced not-to-exceed amount of \$110,200. Staff returned for approval from the full Council on March 22, 2011. At that time, Council directed that staff return for reconsideration after the County of Santa Barbara had announced the results of its procurement process.

Recent Procurements at Goleta and County

Council wished to consider the outcome of the recent procurement process conducted by the County of Santa Barbara, and also the sole source negotiations that the City of Goleta conducted with MarBorg Industries. Over many weeks, staff has reviewed both agencies' applicable documents, viewed video of related meetings, and met personally with the key staff involved in both processes.

County of Santa Barbara

The County officially began its procurement process in July 2009. In September 2010, the County released an RFP for 8-year contracts for three of its five solid waste collection zones. Only the three proposers currently providing services to County customers were allowed to submit proposals: Allied Waste, MarBorg Industries, and Waste Management. Each proposer was required to submit a base proposal for any zone in which it wished to compete, and was allowed to submit alternative proposals.

County staff worked with two consultants during the procurement process, one to assist with the RFP process and draft the franchise agreements, and another to assist with the evaluation of the proposals, for a total professional services cost of approximately \$80,000 for the 8-year franchise contracts valued at \$7.4 million per year. In addition, two County staff members worked virtually full-time (a manager at over 70% and a high level professional at 100% of time) on this project for over a year and a half. According to County staff, the consultants' services were essential to their effort, and the consultants demonstrated their worth by, among other things, catching several major errors in the proposals.

Results were presented to and approved by the County Board of Supervisors on April 4, 2011:

- Zone 2, covering the area immediately north of Goleta & Santa Barbara (\$1.6M) went to MarBorg Industries. This will be a change from the current service provider, Allied Waste.
- Zone 4, covering the Santa Ynez Valley and Lompoc area (\$2.6M), and Zone 5, covering the unincorporated area surrounding Santa Maria (\$3.2 M), went to Waste Management, Inc. Waste Management already services customers in these zones.

A summary of the County's proposal rankings is included in Attachment 2 and a summary list of key contract elements is included in Attachment 3.

City of Goleta

The City of Goleta opted to conduct sole source negotiations with MarBorg for collection services in the area north of Hollister Avenue (adjacent to the County's Zone 2) beginning in July 2011. This area is currently serviced by Allied Waste. Goleta's agreement with MarBorg for its other collection area, south of Hollister, will not expire until 2019. Goleta opted to consolidate under a single hauler and negotiate benefits with MarBorg that would apply to the whole City, something that would not have been possible if the north area remained with Allied Waste or another hauler.

Though Goleta did not conduct an RFP process, they did use a consultant for negotiations with MarBorg. The contract amount was \$60,000. Goleta staff indicated to City of Santa Barbara staff that their use of the consultant was key in understanding the financial elements during the negotiations process. Goleta will receive a one-time contract administration fee of \$75,000 from MarBorg to help offset the City's costs associated with the procurement.

The agreement will be for 8 years, with an option for a two year extension upon mutual agreement. A summary list of key contract elements is included in Attachment 3. The Goleta City Council approved its new agreement with MarBorg on April 5, 2011.

Professional Procurement Support

As discussed, it would be extremely unusual not to use professional procurement support for this process.

What follows are the three primary functions of the consultant services, and related notes.

1. To Provide Specialized Expertise Not Available Through Existing Staff Resources

- It is not uncommon for franchise agreements to be renegotiated only once or twice during the entire career of a local agency's solid waste staff. HF&H, on the other hand, has negotiated hundreds of solid waste contracts, many very recently.
- While City staff has a great deal of expertise in managing waste hauling contracts and designing diversion programs, they do not run a hauling business, a transfer station, or a landfill, nor are they experts in the details and economics of the solid waste collection business.
- HF&H will help staff to determine the true cost implications of various changes to services levels and to predict migration between service levels that may be triggered by such changes and result in significant revenue impacts.

2. To Supplement Existing Staff to Allow Division Staff to Continue to Perform Other Responsibilities of the Division

- City staff is significantly smaller than County staff. It would not be practicable to dedicate two high level full-time employees virtually 100% of their time to this project for a year and a half, as the County did. Even with the use of a consultant, the project will require approximately 20% of a management position in the City Administrator's Office, 50% of the Environmental Services Manager's time, and 5% of the Finance Director's time. While there is other staff within the Environmental Services Division, they do not possess the expertise sought from HF&H.
- Other Environmental Services Manager responsibilities include the day-to-day oversight of the Environmental Services Division including current hauling and disposal operations within the City, diversion programs and education, analysis of regional conversion technology options, management of closed City landfills, etc.
- Staffing in Environmental Services is proposed to be permanently reduced by 1.5 full-time employees in Fiscal Year 2012. These positions are currently vacant.

3. To Provide an Outside and Objective Source to Help Ensure a Process That is Both Accurate and Fair to All Stakeholders
 - HF&H will provide a check by reviewing and analyzing the data and conclusions reached by City staff during the process and providing input; and
 - HF&H's independence and objectivity in local issues will add credibility to the results.

While staff believes there is a great deal that we can continue to learn from staff at the County of Santa Barbara and the City of Goleta, the City of Santa Barbara's process will need to be independent of these efforts:

- The City of Santa Barbara has a different history, different services, different balances between residential and commercial customers, different topography, and different physical space constraints. Some of the issues will be similar to those faced by the County and Goleta; for example, whether and how to offer automated residential collection service (curbside) at a reduced rate. However, the application of the issues to our service environment will be unique.
- Other issues are ours alone; unlike the County and City of Goleta, for example, our rates include incentives for diversion and are not strictly cost-based, requiring special consideration in setting parameters for proposals.
- Staff also sees the potential to use this process to achieve unique City goals, such as moving to a bill-by-container system in order to improve the understandability of consumer bills, and/or developing a process to gradually move to a more equitable division of revenue between the residential and commercial sectors.
- Unlike the County and the Goleta, the City of Santa Barbara is involved in establishing, charging and collecting fees and must be mindful of the need to comply with Proposition 218.

The City used professional contracting services more than ten years ago, in 2001 when the last franchise procurement occurred, in total contract amounts of \$95,000 with IRI & Hanson Bridgett LLP. As discussed above, the County used two professional contractors (\$80,000) in its competitive process. The City of Goleta, which did not conduct a competitive process but engaged in sole source negotiations, used \$60,000 in services for just a relatively small portion of the scope of work that would be accomplished by HF&H. Both County and City of Goleta staff indicate that professional support services were of enormous value to them during their processes.

Alternative Support

Staff still believes that the level of support proposed is advisable to ensure that the result of this process is the most advantageous to the City and rate payers in terms of cost and service levels. However, if Council wishes to reduce the overall cost for

consultant support, staff recommends that the current proposed level of support for the RFP process be maintained (Tasks 1 and 2 on the scope of services outlined in Attachment 4) , and that staff assume more responsibility for the proposal evaluation and contract negotiation stages.

During these initial stages, changes to the scope of services will need to be determined in conjunction with the Sustainability Committee. The consultant will help us determine an approach to use to achieve any rate structure changes in a way that will be economically sound. We will need to gather operating data from the existing hauler and present it in a format that proposers can use to make accurate financial calculations. We will need to generate proposer interest, answer their questions, and develop process integrity guidelines to ensure that the process is fair and objective. The development and release of the RFP will involve the greatest need for consultant expertise and holds the most significant room for long-term unfavorable outcomes.

In this alternative approach, Council could authorize the Finance Director to negotiate an alternative agreement with HF&H staff for tasks 1 and 2 only in an amount not to exceed \$55,100 and staff would proceed with the RFP process. Once proposals are received, staff would evaluate the level of consultant support needed for the evaluation and negotiation phases and return to Council for further authorization, if necessary.

BUDGET/FINANCIAL INFORMATION:

Funding for the contract of \$110,200 will be appropriated from Solid Waste Fund reserves to the current operating budget to cover the contract costs. However, it is anticipated that the successful hauler will reimburse the City for these costs in full, so these funds will eventually be restored to reserves.

Overall, staff believes that ratepayers will receive significant net value from this contract.

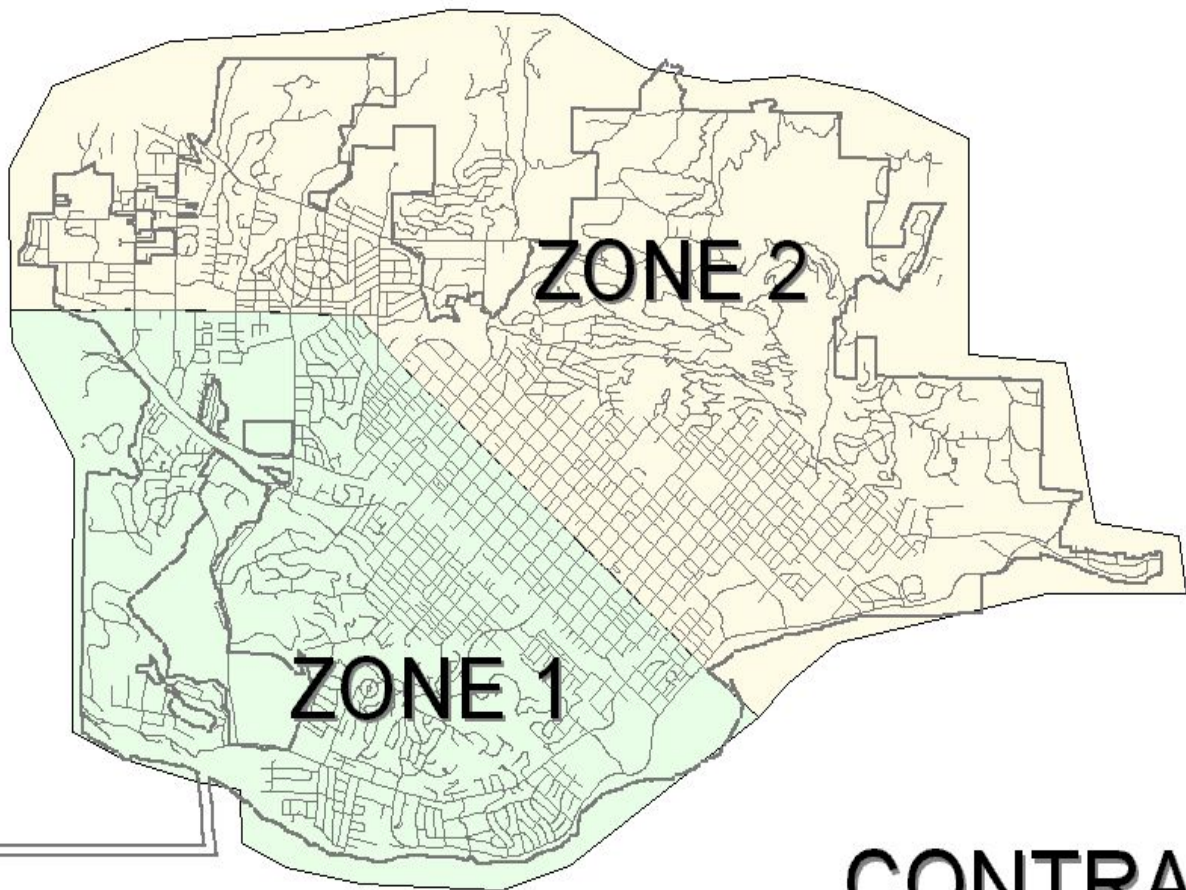
- ATTACHMENTS:**
1. City of Santa Barbara Solid Waste Service Zones Map
 2. Summary of County's Overall Rankings
 3. Summary List of Key Contract Elements
 4. Revised HF&H Consultants, LLC: Scope Of Work and Fee Estimate to Provide Solid Waste and Recycling Contracting Services

PREPARED BY: Kristy Schmidt, Employee Relations Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

City of Santa Barbara Solid Waste Service Zones Map



**CONTRACT
ZONES**

Summary of County's Overall Rankings Project Team Proposal Rankings

Zone 2 - Proposal Rankings					
Criteria	Allied	MarBorg	MarBorg - Alt.	Waste Management	Waste Management - Alt.
Quality Service - 35%	3	5	5	3	3
Cost Competitiveness - 35%	5	2.5	3	2	1.5
Innovative Diversion Programs - 15%	3	5	5	4	4
Other - 15%	4	5	5	3	3
TOTAL	77	82.5	86	56	52.5

Zone 4 - Proposal Rankings			
Criteria	Allied	Waste Management	Waste Management - Alt.
Quality Service - 35%	3	4	4
Cost Competitiveness - 35%	3.5	5	2.5
Innovative Diversion Programs - 15%	3	4	4
Other - 15%	4	4	4
TOTAL	66.5	87	69.5

Zone 5 - Proposal Rankings			
Criteria	Allied	Waste Management	Waste Management - Alt.
Quality Service - 35%	3	4	4
Cost Competitiveness - 35%	3.5	5	3.5
Innovative Diversion Programs - 15%	3	4	4
Other - 15%	4	4	4
TOTAL	66.5	87	76.5

Summary List of Key Solid Waste Contract Elements

County of Santa Barbara and City of Goleta

Draft Date: April 26, 2011

Note: The following is a list of new or noteworthy elements in the new agreements that have been identified by staff and is not meant to be a complete list.

County of Santa Barbara

Category	Key Element
Term	8 years, ending on June 30, 2019. Can be extended for up to 12 months by mutual agreement.
Rates	Residential rates will decrease by at least 10% depending on the service zone and service level. Commercial rates will decrease by at least 15% in Zones 4 and 5 with no significant decrease occurring in Zone 2. Estimated annual savings to rate payers of approximately \$350,000 in Zone 2, and over a combined \$2 million in Zones 4 and 5.
Residential Service	Automated refuse and green waste services will be standard in Zone 2 (adjacent to Goleta), rather than existing backyard service. Customers will need to pay an additional premium to keep backyard service. (Zones 4 and 5 already use automated collection)
Services to Other Zones	Many of enhanced services voluntarily extended by MarBorg to customers in Zones 1 and 3 at no additional cost. Zone 3 customers to be switched to automated service with rate reduction.
Residential enhancement	Additional recycling and green waste to homes with carts at no additional charge. Unlimited biweekly recycling collection for cart customers. 96 gallons of green waste collected weekly.
Residential enhancement	Tags for customers that allow up to 6 bags of additional green waste to be used by homes throughout the year, as needed.
Residential enhancement	Up to 96 gallons each of additional refuse and recycling collection for 2 weeks following the winter holidays left in bundles, boxes or cans next to the regular carts.
Residential enhancement	Twice a year collection of bulky items (offered only once a year now).
Residential enhancement	Curbside collection of special waste such as batteries (collected biweekly in baggies left on top of recycling carts) and electronic waste (2 times per year together with bulky waste)
Residential enhancement	Free Medical Sharps Containers And Disposal: via addressed, postage paid mailing container (hypodermic needles, lancets, etc.).
Residential enhancement	Collection of illegally dumped material up to 10 tones or 40 requests per year, whichever comes first.
Diversion	Specific diversion from landfill requirements by zone (50% of material collected in Zone 2, 45% in Zone 4, and 40% in Zone 5). For the most part, current diversion exceeds these requirements.
Public Services	Provision of refuse and recycling collection from all County facilities located in the unincorporated area.
Administrative	Enhanced data collection and reporting abilities through updated software.
Penalties	Expanded liquidated damages.
Sustainability	Use of CNG vehicles for the collection fleet (exceeding California Air Resources Board requirements).
Sustainability	Santa Barbara County Green Business Certification for the company offices.

City of Goleta

Category	Key Element
Term	8 years, ending on June 30, 2019, with the option of a single, 2-year extension upon mutual agreement of the parties, and upon MarBorg meeting certain performance goals. Coordinates with anticipated expiration of County's contract with MarBorg for County.
Rates	On average, single family residential rates will be 20% lower, Multi-family residential rates will be 22% lower, and commercial rates will be 5% lower than current rates. Estimated annual savings to rate payers of approximately \$700,000.
Rates	Competitive Rate Guarantee to ensure that initial rates in the Goleta will be equal to or lower than rates for similar services in the adjacent County Collection Zone 2.
Residential	Automated refuse and green waste services will be standard, rather than existing backyard

Service	service. Customers will need to pay an additional premium to keep backyard service.
Residential Service	Three levels of standardized service, based upon 32, 64, or 96 gallon refuse carts. Included in each service level, is a 96-gallon recycling cart collected every-other-week, and a 96-gallon green waste cart, collected weekly. Customers may request additional recyclable and green waste carts at no additional charge.
Residential enhancement	Free Household Battery Collection placed in a plastic zip lock bag, on top of the recyclables cart during collection day.
Residential enhancement	Free Medical Sharps Containers And Disposal: via addressed, postage paid mailing container for delivery to a processing facility (hypodermic needles, lancets, etc.).
Residential enhancement	Unlimited collection of e-waste (computers, televisions, etc.) and white goods (large appliances, water heaters, etc.) in addition to existing two annual on-call curbside collections of bulky items upon customer request.
Residential enhancement	Expansion of bulky item collection to multi-family customers (apartments, trailer parks, condominiums).
Residential enhancement	MarBorg to maintain a local buy back center, ABOP (anti-freeze, battery, oil and paint) and e-waste collection facility open to Goleta residents without charge
Residential enhancement	Provides for the implementation of possible future diversion and recycling programs, such as mandatory commercial recycling and commercial food scraps program
Public Services	Refuse and recyclables collection to City facilities, including City Hall, the Goleta Library, the Community Center, the Stow House and the Railroad Museum at no charge
Public Services	Refuse collection from identified public street and bus shelter receptacles at no charge
Public Services	Refuse collection from City parks and open spaces designated by the City at no charge
Public Services	MarBorg will provide portable sanitation facilities to park and open space locations designated by the City.
Public Services	MarBorg will provide solid waste/recycling and portable sanitation services to City-sponsored events including the Lemon Festival, Fiesta Ranchera, and the Stow House & Girsh Park Independence Day celebrations.
Public Services	MarBorg will provide bins and/or roll-off boxes for community cleanup events up to 6 times annually, at City request.
Public Services	On-call collection of up to 15 tons annually of abandoned solid waste discarded in the public right-of-way or at locations identified by the City.
Public Services	Free solid waste and recycling collection for all public schools located within the City
Revenues	Increase of Franchise Fee from 2% to 5% to offset reduction in revenue to rate decreases.
Diversion increases	MarBorg to increase the combined residential and commercial diversion within the City by approximately 23% by the end of the term with the majority coming from an expected 75% increase in commercial diversion, assisted by the implementation of a mandatory commercial recycling program.
Employment Continuance	MarBorg committed to hiring qualified Allied employees who are displaced as a result of the change.
Other	<p>Reduced rates will reduce the City's income from its 8% solid waste program fee and its 2% franchise fee. To offset this loss of income, City raised franchise fee to 5%.</p> <p>MarBorg will pay City contract administration fee of \$75,000 to offset the City's costs associated with the procurement.</p>

HF&H CONSULTANTS, LLC
**SCOPE OF WORK AND FEE ESTIMATE TO PROVIDE SOLID WASTE AND
RECYCLING CONTRACTING SERVICES**
CITY OF SANTA BARBARA

PROJECT BACKGROUND

The City of Santa Barbara (City) currently receives collection services under separate agreements with Allied Waste Services ("Allied") in Zone 1 and Marborg Industries ("Marborg") in Zone 2. The agreements expire June 7, 2013. The Marborg agreement provides the company with an extension option. The Allied Waste Agreement does not. The City seeks an experienced solid waste consultant in order to assist the City through a competitive procurement of a new solid waste collection agreement for services provided in Zone 1 serviced by Allied Waste beginning June 8, 2013.

Each hauler provides exclusive residential and commercial collection services within their zones. Obtaining a new agreement with enhanced services through a competitive process in half of the City presents certain challenges. For example, different rates and/or services proposed for Zone 1 may necessitate negotiations with Marborg for service or rate changes in Zone 2, City-billing of blended rates, or other remedies to standardize rates and services City-wide, if that is the City's goal. Alternatively, services and/or rates could be different in each zone.

There have been many regulatory and other industry developments in the solid waste field since the current agreement was drafted. As part of this contracting process, we will identify service improvements and provide new contract language so that the City's agreement addresses changes in the City's needs, and reflect current solid waste industry practices. A few of these issues that cities must now consider include:

- Air Resource Board regulations and other vehicle requirements;
- Commercial and multi-family recycling services;
- Collection of electronic and other universal waste;
- Sharps collection (i.e. syringes);
- Large venue event recycling; and,
- Proposition 218 issues.

Additionally, we understand that the City is interested in the feasibility of:

- Door-to-door HHW collection (the City currently relies on a regional drop-off location open Saturdays);

- Textile recycling;
- Food waste diversion; and,
- Other programs to increase recycling.

HF&H has provided services to jurisdictions throughout the State and has assisted clients with similar issues. We can provide the City with the expertise and assistance that the City needs for a successful process.

PROJECT INITIATION

In November 2010, the City retained HF&H to:

- Profile the current solid waste agreement requirements against updated service options and contract terms;
- Analyze key contracting strategy options;
- Meet with City staff and the City to discuss the existing and alternative services and terms; and,
- Meet with Sustainability Committee to review contracting options.

The above work was completed and we met with the Sustainability Committee on February 28, 2011. The following scope of services describes the workplan to complete the City's competitive procurement process.

HF&H APPROACH

HF&H offers the City full service competitive contracting assistance, as described in the work plan below. Each of HF&H's clients have different service and contract needs, which we work with each city to address. All of our clients have the same desire for a smooth process, which we offer through our program outlined below.

WORK PLAN

The following work plan is for conducting a competitive procurement. This section is organized as follows:

Task 1: Determine City's Collection Needs & Develop Contracting Strategy

Task 2: Prepare and Issue Request for Proposals

Task 3: Review and Evaluate Proposals

Task 4: Negotiate With Top Ranked Contractors, and Prepare a New Agreement with Selected Contractor for City Council Approval

TASK 1: DETERMINE CITY'S COLLECTION NEEDS & DEVELOP CONTRACTING STRATEGY

Subtask 1A: Initiate Project

HF&H has already completed the following tasks:

- Reviewed existing background documents including the city's existing franchise agreement and solid waste rate schedules.
- Discussed the existing and alternative services with City staff on January 6, 2011 and February 2, 2011.
- Met with Sustainability Committee on February 28, 2011 to discuss contracting strategy options.
- Prepared the project plan and analysis of the current agreement.

Subtask 1B: Define Scope of Services and Confirm with City

The purpose of this task is to define the scope of the solid waste services to be proposed upon in the RFP package. HF&H has performed a preliminary review of existing service methods in the City. We will prepare for a subsequent meeting with the Sustainability Committee to review potential key service enhancements and contract terms. HF&H will meet with the City's Sustainability Committee to discuss these options and answer questions. The Sustainability Committee may subsequently make recommendations to the City Council, and if requested we will attend the City Council meeting to answer questions when the Sustainability Committee's recommendations are considered.

Subtask 1C: Gather and Review Operating Data

We will collect any data available regarding the current services provided. We will prepare data collection forms to assist the City and/or hauler in providing additional information in a user-friendly format. As the City provides all billing services, the City will be able to provide much of the key service data.

It has been our experience that when proposers are confident about the accuracy of operating data contained in the RFP, they propose lower rates and include fewer contingency costs. Collecting data in this manner also may uncover additional issues, such as poor reporting or service issues that we would address in the new agreement.

TASK 2: PREPARE AND ISSUE REQUEST FOR PROPOSALS

Subtask 2A: Prepare draft RFP and agreement

Based on the information and direction received in prior tasks, we will prepare the draft RFP, agreement, and criteria to be used in evaluating the proposals received.

Subtask 2B: Revise RFP and agreement once, after review by the City Attorney, other City staff and potential proposers

We will submit the draft RFP and agreement to City staff, City Sustainability Committee, the City Attorney, and potential proposers for review. We will provide a list of potential proposers to the City. After City staff, the Sustainability Committee, and the potential proposers have reviewed the documents and provided us with their written comments, we will confer with City and make appropriate revisions once to these documents. The draft agreement is included in the RFP as an attachment. The City Attorney is requested to make any changes directly to the documents in a strike-and-replace format.

HF&H works at developing proposer interest in the City's RFP process from the beginning of the project. Seeking input on the agreement from potential proposers can not only lead to a better contract, but also assists in generating proposer interest. Some cities issuing RFPs have recently failed to receive a sufficient number of proposals. HF&H has consistently obtained for its clients multiple quality proposals in response to each RFP.

Subtask 2C: Attend meetings with City regarding RFP package

If necessary after parties have reviewed the draft documents, HF&H will attend one meeting with the City Sustainability Committee, City Manager, and/or City Attorney to discuss suggested revisions.

Subtask 2D: Attend Council meeting to approve RFP package

HF&H will attend one City Council meeting at which the City Council will approve the RFP and draft agreement. We recommend that contact between proposers and the City be controlled through "Process Integrity Guidelines" and will suggest methods to do so, based on City staff and City Council's desired level of interaction with proposers. We will make a presentation, if requested, and answer questions. Once the RFP and the draft agreement have been approved by the City Council, they can be distributed to potential proposers. We will provide the City with a list of potential proposers with whom we are familiar.

Subtask 2E: Prepare for and attend proposers' conference

With City staff coordination, we will schedule a proposers' conference to be conducted shortly after release of the RFP. Potential proposers will have an opportunity to receive clarification of any issues and ask questions at this conference. We will also accept written requests for clarification, until a set deadline.

Subtask 2F: Prepare addenda

We will prepare written responses to questions posed at the proposers' conference, or submitted in writing, and prepare any necessary addenda arising from issues posed at the proposers' conference. All questions and responses shall be made available to all proposers in attendance at the conference.

We find that proposers will often have last minute questions while finalizing their proposals a day or two before they are due. We arrange our personal schedules to ensure that we always have project staff available to answer last minute questions.

Subtask 2G: Development of a Proposal Evaluation Team

The City will select a proposal evaluation team to review the proposals. The City's selection of this team may also be made earlier in the process.

TASK 3: REVIEW AND EVALUATE PROPOSALS

Subtask 3A: Review proposals for completeness

We will perform an initial review of each proposal submitted for compliance with the City's RFP requirements and disregard substantially incomplete proposals.

Subtask 3B: Evaluate complete proposals

The specific criteria for which we evaluate the complete proposals will be developed using input received from City staff and the City Council. Based on our experience in other cities, we anticipate evaluating the proposals based on the following criteria:

- Experience of the proposers in providing the requested services in other jurisdictions, based on information contained in their proposals;
- Exceptions taken to the terms and conditions of the draft agreement;
- Proposed total compensation (rate revenue) over the term of the agreement, based on the rates included in the financial section of the proposal;
- Financial resources of the proposers, based on information in their proposals; and,
- Unique proposal features that exceed the RFP's minimum requirements.

Proposals received in each RFP process present unique issues to be evaluated. For example, our success in assisting cities in reducing rates can result in lower City fee revenue for cities that assess fees based on gross receipts. The City receives a 5% City billing fee, a 2% gross receipts fee, and a 6% utility users tax. In such instances, a "lump sum fee" increased annually by CPI may be more appropriate, or the fee percentage may need to be increase to generate historical fee levels.

Subtask 3C: Prepare follow-up questions for proposers

After performing our initial review and evaluation, we will provide each proposer with our summary evaluation of the company's individual proposal in order to confirm our understanding of the information presented in the proposal.

Subtask 3D: Review responses and clarify unresolved issues

We will review responses received from proposers and resolve any open issues to help ensure that proposers are satisfied with the representation of their proposals.

Subtask 3E: Meet with staff to discuss preliminary evaluation

We will meet with the City's evaluation team regarding our preliminary evaluation and discuss the next steps in the evaluation process, such as selecting the proposers to be interviewed.

Subtask 3F: Interview proposers

Along with the City's evaluation team, we will interview the proposers, scheduling all interviews on one day. The City may decide to interview all proposers, or interview companies with the top proposals only

Subtask 3G: Contact references for recommended proposer

We will contact references provided for the proposer to be recommended to the City Council for award of the agreement. We will summarize the results of the reference checks within the evaluation report.

Subtask 3H: Prepare evaluation report

All proposals receive a preliminary evaluation. A detailed evaluation is performed of the one or two proposals that appear to offer the most value for the services and costs proposed. Additionally, we will review the overall reasonableness of the operational and financial assumptions contained in the technical section of the proposals selected for detailed evaluation. After our evaluation is complete, we will provide the City with a report describing the evaluation results.

TASK 4: NEGOTIATE WITH TOP RANKED CONTRACTORS, AND PREPARE A NEW AGREEMENT FOR CITY COUNCIL APPROVAL

Subtask 4A: Participate in negotiating session

HF&H will participate in a negotiation session with one or more haulers. Based on our prior experience, final negotiations can usually be completed during one session per proposer, and the fee estimate includes costs for one session with one proposer. However, the City may prefer to negotiate with multiple proposers at this time, as multiple proposals may appear attractive prior to finalizing the agreement(s). Proposers are most cooperative when they are still in competition. After finalizing negotiations, we would then assist the City's evaluation team in its determination of a final selection. If the City desires to negotiate further with the final selection, we would assist in those negotiations as well.

Subtask 4B: Prepare revised portions of agreement

Based upon the negotiations, we will make one set of revisions to the final agreement negotiated with each proposer and ask each proposer to sign the agreement. The City can then make a decision based on clearly defined contract terms, verses general promises often made in proposals and during negotiations. Also, at award, neither the successful nor unsuccessful proposers can debate what was or was not the final offer to the City.

Subtask 4C: Attend one City Council meeting for approval of final agreement

We will attend the City Council meeting at which the final agreement is expected to be approved.

TASK 5: TRANSITION ASSISTANCE (OPTIONAL TASK)

After award of the new solid waste collection agreement, the City and contractor will need to undertake numerous tasks in order to ensure a smooth transition. HF&H has assisted cities

through this process to minimize disruption to ratepayers and to ensure programs are properly implemented in a timely manner. Services with which we can provide assistance include:

- Development and Monitoring of Detailed Transition Calendar

During the transition, it is critical that key tasks are completed by certain dates. We develop a detailed calendar and monitor all parties' compliance in meeting deadlines. Examples include dates for ordering and delivering equipment, for initial and final drafts of each public education piece to be delivered and edited, community workshops, and Proposition 218 noticing (if applicable). If a new hauler is selected, parties will need to meet and establish key transition dates for exchange of information and container delivery and removal.

- Review and Revision of All Public Education Materials

Transition materials prepared by the contractor may not be sufficient to simply and productively provide customers with the information necessary. For example, a recent RFP client of ours distributed what appeared to the city to be a well laid-out informational piece from an experienced hauler, with a return card for the selection of residential cart sizes. The mailer did not include sufficient information on certain cart selection options, and other public education efforts did not sufficiently educate residents as to their cart selection options, resulting in the hauler needing to order additional cart types and sizes after the initial roll-out, and replace numerous customers' carts at an increased expense. Another recent RFP client is having HF&H monitor and help manage the transition, in which we have assisted in revising public outreach materials to ensure their clarity and effectiveness.

- Evaluating the Reasonableness of Contractor Plans

We have guided RFP clients regarding the reasonableness of its contractor's assumptions for the time necessary to roll-out new containers and how best to coordinate a container exchange without a disruption in service to the customer.

- Conducting Public Workshops
- Attending City Council Meetings
- Assistance with Proposition 218 Notice Development and Public Hearings
- Conducting Meetings with the Contractor and City Staff
- Providing City with Customer Service Support
- Reviewing and Amending the Municipal Code for Consistency with New Agreement
- Monitoring Contractor Compliance With Agreement Terms During Transition, including remittance of applicable fees and attainment of insurance and performance surety.

These optional services are not included in the proposed scope, but can be provided on a time and materials basis.

COMPETITIVE PROCUREMENT SCHEDULE

The current agreement expires on June 7, 2013, providing ample time for a thorough process and a smooth transition, including time for ordering equipment and conducting public education.

Table 1: Competitive Procurement Schedule

Activity	Party	Target Date
1. Approve consulting agreement	City Council	March 15, 2011
2. Meet with City staff and Sustainability Committee to confirm service options	HF&H and City	April 2011
3. Provide requested operating data	Haulers and City staff	April 2011
4. Review City billing data and hauler operating data	HF&H	May 2011
5. Prepare preliminary RFP and draft agreement	HF&H	June/July 2011
6. Seek input from: City staff, Sustainability Committee, and City Attorney	City, HF&H	August/September 2011
6. Seek input from potential proposers.	Potential Proposers	October 2011
7. Prepare revised RFP and draft agreement	HF&H	November 2011
8. Present RFP package to Council for approval, and distribute to proposers	City, HF&H	December 2011
9. Prepare proposals	Proposers	January/February 2012
10. Submit proposals	Proposers	March 2012
11. Evaluate proposals	City, HF&H	April/May 2012
12. Contact references and finalize evaluation	City, HF&H	June 2012
13. Select contractor(s) for negotiations	City	July 2012
14. Conduct negotiations and resolve exceptions to agreement	HF&H/City/Proposer	August/September 2012
15. Consider negotiated agreement for approval	City Council	October 2012
16. Order equipment	Contractor	November 2012
17. Outreach Campaign - Prepare and distribute educational materials, conduct informational meetings and prepare for transition	Contractor	November 2012 through May 2013
18. Initiate rollout of new service	Contractor	June 8, 2013

FEE ESTIMATE

We will perform the scope of work based on time and materials. The estimated total cost to perform the workplan tasks is \$110,200, excluding the optional transition assistance in Task 5. Our actual costs could be higher or lower than this amount, depending on the complexity of the City's contracting process, the number of proposals to be evaluated, the number of negotiation sessions required, and other factors that cannot be precisely estimated in advance. The estimated level of effort by task is summarized below and hours may be shifted among tasks.

The proposed cost includes preparation of the RFP, gathering operating data, soliciting proposals, conducting a pre-proposal conference and issuing addenda, evaluating up to four proposals, and preparing and negotiating the final agreement with one proposer. The proposed cost assumes that one integrated residential and commercial RFP and collection service agreement is developed and a single set of services proposed. Should additional proposals beyond four be submitted, we estimate that the budget will increase by \$5,500 per proposal. If negotiations are conducted with more than one proposer, the additional cost shall be \$7,500 per company. If the City were to split the agreement into separate residential and commercial agreements, or seek a subsequent round of "best and final" offers after the proposals are submitted and evaluated, or request other changes to the scope of work, our fee estimate may increase.

The proposed scope of services does not include preparing the staff report that City staff will need to prepare to transmit various action items to the City Council during the process. The proposed scope does not include public education and outreach efforts during the RFP process, which we understand will be performed by City Staff, if necessary.

The scope does not include transition assistance after award of the agreement. However, HF&H can provide these services on a time and materials basis.

We will bill you once per month, based on the number of hours worked and expenses incurred. Payment is due within 30 days of invoicing. Hourly rates for professional and administrative personnel are listed below.

<u>Position</u>	<u>Rate</u>
President and Senior Vice President & Vice President	\$249
Senior Manager/Senior Project Manager	\$210 - \$225
Director	\$210
Manager	\$205
Senior Associate	\$165 - \$185
Associate Analyst	\$125 - \$145
Assistant Analyst	\$100 - \$115
Administrative Staff	\$90
Intern	\$45

Expenses will be billed as follows:

Mileage	Prevailing IRS mileage rate
Document Reproduction	\$0.15 per page (black & white)
	\$0.75 cents per page (color)
Outside document reproduction/couriers/postage	Actual
Public conveyances and parking	Actual
All other out-of-pocket expenses	Actual

In most of the competitive procurements we have conducted for other cities, the successful contractor is required to reimburse the City for its consulting costs. Based on the City's estimate that the existing hauler agreement is worth approximately \$8 million annually, the total value over 10 years would be \$80 million at current rates. Our fees are less than two-tenths of 1%.

WORKPLAN

TASK DESCRIPTION	Sr. Vice President	Manager	Senior Associate	Total Hours
1. Determine City's Collection Needs & Prepare Contracting Strategy				
A. Initiate Project				
	Completed			
B. Define Scope of Services and Confirm with City	28	25	4	57
- Finalize service recommendations and confirm with City staff				
- Meet with Sustainability Committee, document recommendations (mtg #1)				
- Present recommended services/terms to City Council (meeting #2)				
C. Gather and Review Operating Data	8	16	24	48
Subtotal: Task 1 Hours	36	41	28	105
2. Prepare and Issue Request for Proposals				
A. Prepare draft RFP and agreement	16	46	32	94
B. Revise RFP and documents once after review by City Attorney, other City staff, and potential proposers	8	16	0	24
C. Attend Council meeting to approve RFP package (meeting #3)	8	0	0	8
D. Prepare for and attend proposers' conference (meeting #4)	0	8	0	8
E. Prepare addenda	4	12	2	18
Subtotal: Task 2 Hours	36	82	34	152
3. Review and Evaluate Proposals				
A. Review proposals for completeness	1	4	0	5
B. Evaluate complete proposals (maximum of four)	16	40	24	80
C. Prepare follow-up questions for proposers	4	8	4	16
D. Review responses and clarify unresolved issues	4	8	0	12
E. Meet with City staff to discuss preliminary evaluation (meeting #5)	8	8	0	16
F. Interview proposers (meeting #6)	0	8	0	8
G. Contact references for recommended contractor	1	4	6	11
H. Prepare evaluation report	12	24	12	48
Subtotal: Task 3 Hours	46	104	46	196
4. Negotiate Final Agreement and Prepare a New Agreement				
A. Participate in one negotiating session (meeting #7)	8	8	0	16
B. Prepare revised portions of agreement	8	16	0	24
C. Attend Council meeting for approval of final agreement (meeting #8)	10	10	0	20
Subtotal: Task 4 Hours	26	34	0	60
Manage Project and Prepare Workpapers - Task Hours	4	2	0	6
Total Hours	148	263	108	519
Hourly Rate	\$ 249	\$ 205	\$ 165	
Subtotal	\$ 36,852	\$ 53,915	\$ 17,820	\$ 108,587
Expenses				\$ 1,613
Total Fees and Expenses				\$ 110,200



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: Request From Councilmembers Rowse And Self Regarding The City's Employee Mortgage Loan Assistance Program

RECOMMENDATION:

That Council hear a report from staff on the history of the establishment and an examination of the effectiveness of the City's Employee Mortgage Loan Assistance Program pursuant to a request from Councilmembers Rowse and Self.

DISCUSSION:

On March 21, 2011, Councilmembers Rowse and Self requested, via written memorandum (attached to this report), that staff present the details of the City's Employee Mortgage Loan Program (EMLAP).

The EMLAP was adopted on August 21, 2001, by City Council in response to the high and increasing cost of housing on the South Coast. The purpose of the program was to assist the City in attracting and retaining highly qualified employees by helping current and future employees in obtaining local homeownership in the South Coast area. In addition, by encouraging employees to live closer to work in many cases, the program reduced commuting distances and times.

At the request of the Finance Committee, staff presented a report to the Committee on April 12, 2011. At that meeting, the Committee voted unanimously to recommend that Council officially suspend the program indefinitely. Although no new loans have been made since March 2009 and the monetary authority for these loans has been fully utilized, the Committee wanted to ensure that no new loans were made in the future, such as from those amounts repaid of principal on outstanding loans. However, the Committee recognized that the existing loans would have to continue to be administered until the loans mature or are repaid.

ATTACHMENT: Memorandum from Councilmembers Rowse and Self, dated March 21, 2011

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office



City of Santa Barbara
City Administrator's Office

Memorandum



RECEIVED

MAR 29 2011

CITY ADMINISTRATOR'S OFFICE
SANTA BARBARA

DATE: March 21, 2011

TO: Jim Armstrong, City Administrator

FROM: Councilmember Michael Self 
Councilmember Randy Rowse 

SUBJECT: City of Santa Barbara Employee, EMLAP, Loans

Pursuant to Council Resolution 05-073 regarding the Conduct of City Council Meetings, we request that an item be placed on the Santa Barbara City Council Agenda regarding City of Santa Barbara Employee Mortgage Loan Assistance Program.

- Summary of information to be presented:

We are requesting the City Council receive a presentation of the history of the establishment and an examination of the effectiveness of City EMLAP loan program.

- Statement of Specific Action:

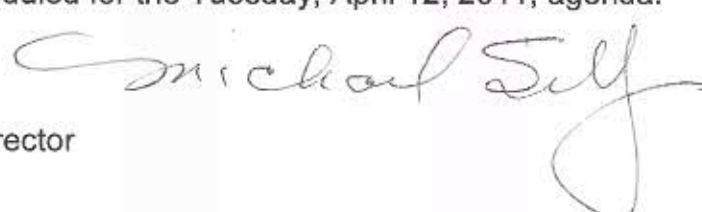
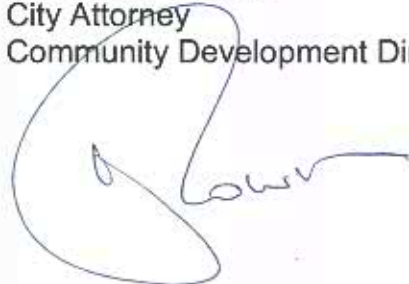
The specific action to be taken by the City Council at this meeting will be to explore the options for a moratorium, improving the program, for seeking remedy for any and all delinquent loans, and the possibility of eliminating the program.

- Statement of the Reasons Why it is Appropriate and Within the Jurisdiction of the Council to Consider this Subject Matter and to Take the Requested Action:

A Council discussion of this subject is appropriate and within the jurisdiction of the City Council.

We are requesting that this be scheduled for the Tuesday, April 12, 2011, agenda.

cc: Mayor and Council
City Attorney
Community Development Director



Agenda Item No. _____

File Code No. **440.05**

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Conference With Labor Negotiator

RECOMMENDATION:

That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with General, Treatment and Patrol, and Supervisory bargaining units, and regarding discussions with unrepresented management about salaries and fringe benefits.

SCHEDULING: Duration, 30 minutes; anytime

REPORT: None anticipated

PREPARED BY: Kristy Schmidt, Employee Relations Manager

SUBMITTED BY: Marcelo López, Assistant City Administrator

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Conference With Legal Counsel - Anticipated Litigation

RECOMMENDATION:

That Council hold a closed session to consider significant exposure to litigation (one potential case) pursuant to subsection (b)(1) of section 54956.9 of the Government Code and take appropriate action as needed.

SCHEDULING:

Duration: 20 minutes; anytime

REPORT:

None anticipated

SUBMITTED BY: Stephen P. Wiley, City Attorney

APPROVED BY: City Administrator's Office



Agenda Item No. _____

File Code No. 170.01

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Public Employee Performance Evaluation – Government Code
Section 54957

RECOMMENDATION:

That Council hold a closed session for a Public Employee Performance Evaluation per Government Code Section 54957.

Title: City Administrator

Scheduling: Duration, 40 minutes; anytime

Report: None anticipated

PREPARED BY: Linda Gunther, Administrator's Office Supervisor

SUBMITTED BY: Helene Schneider, Mayor

APPROVED BY: City Administrator's Office



Agenda Item No. _____

File Code No. 160.01

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 3, 2011

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Public Employee Performance Evaluation – Government Code
Section 54957

RECOMMENDATION:

That Council hold a closed session for a Public Employee Performance Evaluation per Government Code Section 54957.

Title: City Attorney

Scheduling: Duration, 40 minutes; anytime

Report: None anticipated

PREPARED BY: Linda Gunther, Administrator's Office Supervisor

SUBMITTED BY: Helene Schneider, Mayor

APPROVED BY: City Administrator's Office